

31 March 1955

On 30 March, the East German Ministry of Transport announced that a new tax would be levied on motor vehicles not licensed in East Germany. The purposes of this tax, according to the announcement, is to meet the cost of maintaining roads which has increased substantially due to the heavier truck traffic of recent years. The tax, which goes into effect on 1 April, affects all motor vehicles, but it is particularly severe as applied to trucks. Formerly each truck paid an ~~ave~~ average of \$5.00 for the round-trip to Berlin, and now the tax for the same trip will be more than \$50.00.

Road does need repair

This tax constitutes an effective blockade of about 50 percent of the freight traffic between West Germany and West Berlin and will have a serious impact on West Berlin's economy unless the truckers are subsidized or which is pure blockade some means found to pressure East Germany into easing the tax. The truckers have indicated they will not pay the tax themselves. Interzonal trade discussions were terminated by West Germany after the announcement of the tax, and, since the cessation of this trade will be more harmful to East Germany than West Germany, it may serve as a means of ~~forcing~~ forcing the East Germans

The purpose of imposing the tax, aside from the substantial revenue involved, may be ~~that~~ to harass the West. Harassments have occurred without warning at various times ~~in~~ during the past few years. It may also, however, be related to a new plan for isolation of West Berlin ~~in~~ reaction to ratification of the Paris agreements; it is believed, however, that a major program to isolate West Berlin would not be launched until West Germany begins to implement the agreements.

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